STATE OF NEW YORK

5433

2019-2020 Regular Sessions

IN SENATE

May 1, 2019

Introduced by Sen. BENJAMIN -- read twice and ordered printed, and when printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to prohibiting state chartered banking institutions from investing in and providing financing for private prisons

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The banking law is amended by adding a new section 12 to read as follows:

§ 12. Investments in private prisons by state chartered banking institutions. 1. No state chartered banking institution shall provide financing for or invest in the stocks, securities, or other obligations of any institution, company, or subsidiary that owns or contracts with a government to manage or run a prison.

2. Notwithstanding any other provision of law to the contrary, no later than one year after the effective date of this section, any moneys or assets of a state chartered banking institution which shall remain or be invested in the stocks, securities, or other obligations of any institution, company, or subsidiary of a company that owns or invests in a for-profit institution that owns or contracts with a government to manage or run a prison shall be withdrawn.

3. For purposes of this section "state chartered banking institution" shall have the same meaning as defined in subdivision one of section twelve-a of this article.

§ 2. This act shall take effect immediately and shall apply to all contracts entered into, renewed, modified or amended on or after such effective date.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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